



[Docket No. FR-6268-N-02]

Notice of Regulatory Waiver Requests Granted for the Second Quarter of Calendar Year 2021

AGENCY: Office of the General Counsel, HUD.

ACTION: Notice.

SUMMARY: Section 106 of the Department of Housing and Urban Development Reform Act of 1989 (the HUD Reform Act) requires HUD to publish quarterly Federal Register notices of all regulatory waivers that HUD has approved. Each notice covers the quarterly period since the previous Federal Register notice. The purpose of this notice is to comply with the requirements of section 106 of the HUD Reform Act. This notice contains a list of regulatory waivers granted by HUD during the period beginning on April 1, 2021 and ending on June 30, 2021.

FOR FURTHER INFORMATION CONTACT: For general information about this notice, contact Aaron Santa Anna, Associate General Counsel for Legislation and Regulations, Department of Housing and Urban Development, 451 7th Street, SW, Room 10282, Washington, DC 20410-0500, telephone 202-708-5300 (this is not a toll-free number). Persons with hearing- or speech-impairments may access this number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

For information concerning a particular waiver that was granted and for which public notice is provided in this document, contact the person whose name and address follow the description of the waiver granted in the accompanying list of waivers that have been granted in the second quarter of calendar year 2021.

SUPPLEMENTARY INFORMATION: Section 106 of the HUD Reform Act added a new section 7(q) to the Department of Housing and Urban Development Act (42 U.S.C. 3535(q)), which provides that:

1. Any waiver of a regulation must be in writing and must specify the grounds for approving the waiver;
2. Authority to approve a waiver of a regulation may be delegated by the Secretary only to an individual of Assistant Secretary or equivalent rank, and the person to whom authority to waive is delegated must also have authority to issue the particular regulation to be waived;
3. Not less than quarterly, the Secretary must notify the public of all waivers of regulations that HUD has approved, by publishing a notice in the Federal Register. These notices (each covering the period since the most recent previous notification) shall:
 - a. Identify the project, activity, or undertaking involved;
 - b. Describe the nature of the provision waived and the designation of the provision;
 - c. Indicate the name and title of the person who granted the waiver request;
 - d. Describe briefly the grounds for approval of the request; and
 - e. State how additional information about a particular waiver may be obtained.

Section 106 of the HUD Reform Act also contains requirements applicable to waivers of HUD handbook provisions that are not relevant to the purpose of this notice.

This notice follows procedures provided in HUD's Statement of Policy on Waiver of Regulations and Directives issued on April 22, 1991 (56 FR 16337). In accordance with those procedures and with the requirements of section 106 of the HUD Reform Act, waivers of regulations are granted by the Assistant Secretary with jurisdiction over the regulations for which a waiver was requested. In those cases in which a General Deputy Assistant Secretary granted the waiver, the General Deputy Assistant Secretary was serving in the absence of the Assistant Secretary in accordance with the office's Order of Succession.

This notice covers waivers of regulations granted by HUD from April 1, 2021 through June 30, 2021. For ease of reference, the waivers granted by HUD are listed by HUD program office (for example, the Office of Community Planning and Development, the Office of Fair Housing and Equal Opportunity, the Office of Housing, and the Office of Public and Indian

Housing, etc.). Within each program office grouping, the waivers are listed sequentially by the regulatory section of title 24 of the Code of Federal Regulations (CFR) that is being waived. For example, a waiver of a provision in 24 CFR part 58 would be listed before a waiver of a provision in 24 CFR part 570.

Where more than one regulatory provision is involved in the grant of a particular waiver request, the action is listed under the section number of the first regulatory requirement that appears in 24 CFR and that is being waived. For example, a waiver of both § 58.73 and § 58.74 would appear sequentially in the listing under § 58.73.

Waiver of regulations that involve the same initial regulatory citation are in time sequence beginning with the earliest-dated regulatory waiver.

Should HUD receive additional information about waivers granted during the period covered by this report (the second quarter of calendar year 2021) before the next report is published (the third quarter of calendar year 2021), HUD will include any additional waivers granted for the second quarter in the next report.

Accordingly, information about approved waiver requests pertaining to HUD regulations is provided in the Appendix that follows this notice.

Damon Smith,
General Counsel.

Billing Code: 4210-67

APPENDIX

Listing of Waivers of Regulatory Requirements Granted by Offices of the Department of Housing and Urban Development April 1, 2021 through June 30, 2021

Note to Reader: More information about the granting of these waivers, including a copy of the waiver request and approval, may be obtained by contacting the person whose name is listed as the contact person directly after each set of regulatory waivers granted.

The regulatory waivers granted appear in the following order:

- I. Regulatory waivers granted by the Office of Community Planning and Development.
- II. Regulatory waivers granted by the Office of Housing.

I. Regulatory waivers granted by the Office of Community Planning and Development

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 91.105(b)(4), (c)(2), and (k); 24 CFR 91.115(b)(4), (c)(2), and (i); and 24 CFR 91.401.

Project/Activity: Any HUD Community Planning and Development (CPD) grantee in the preparation of their FY 2021 Consolidated Plan or Annual Action Plan and FY 2021 Plan substantial amendments, through August 16, 2021.

Nature of Requirement: The regulations at 24 CFR 91.105(b)(4), (c)(2) and (k); 24 CFR 91.115(b)(4), (c)(2), and (i); and 24 CFR 91.401 require a 30-day public comment period in the development of a consolidated plan and prior to the implementation of a substantial amendment.

Granted By: James Arthur Jemison II, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: May 12, 2021.

Reason Waived: There was an error in the announced FY 2021 CDBG formula allocations, causing all CDBG grants, except Insular Area grants, to be less than what should have been allocated by formula. This error was corrected, and updated CDBG FY 2021 allocations were posted and transmitted to grantees. To expedite grantees' ability to incorporate the increase in funding caused by the FY 2021 allocation error, HUD waived the regulations at 24 CFR 91.105(b)(4), (c)(2) and (k); 24 CFR 91.115(b)(4), (c)(2), and (i); and 24 CFR 91.401 and reduced the public comment period for grantees preparing FY 2021 plans and amendments from 30 days to no less than three days.

Contact: James E. Höemann, Director, Entitlement Communities Division, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7282, Washington, DC 20410, telephone (202) 402-5716.

- **Regulation:** 24 CFR 92.252(d)(1) Utility Allowance Requirements.

Project/Activity: The New Hampshire Housing Finance Agency requested a waiver of 24 CFR 92.252(d)(1) to allow use of the utility allowance established by the local public housing agency (PHA) for three HOME-assisted projects – Arthur H. Nickless Jr. Housing for the Elderly, Conway Pines II, and Friars Court I.

Nature of Requirement: The regulation at 24 CFR 92.252(d)(1) requires participating jurisdictions (PJs) to establish maximum monthly allowances for utilities and services (excluding telephone) and update the allowances annually. However, participating jurisdictions are not permitted to use the utility allowance established by the local public housing authority for HOME-assisted rental projects for which HOME funds were committed on or after August 23, 2013.

Granted By: James Arthur Jemison II, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: April 15, 2021.

Reason Waived: The HOME requirements for establishing a utility allowances conflict with Project Based Voucher program requirements. It is not possible to use two different utility allowances to set the rent for a single unit and it is administratively burdensome to require a project owner establish and implement different utility allowances for HOME-assisted units and non-HOME assisted units in a project.

Contact: Virginia Sardone, Director, Office of Affordable Housing Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7160, Washington, DC 20410, telephone (202) 402-4606.

- **Regulation:** 24 CFR 92.252(d)(1) Utility Allowance Requirements,

Project/Activity: The Cities of Los Angeles and Salinas and Los Angeles County, California requested a waiver of 24 CFR 92.252(d)(1) to allow use of the utility allowance established by the local public housing agency (PHA) for three HOME-assisted projects – Haciendas Phase III, Firestone Phoenix, and Winnetka Senior Apartments.

Nature of requirement: The regulation at 24 CFR 92.252(d)(1) requires participating jurisdictions to establish maximum monthly allowances for utilities and services (excluding telephone) and update the allowances annually. However, participating jurisdictions are not permitted to use the utility allowance established by the local public housing authority for HOME-assisted rental projects for which HOME funds were committed on or after August 23, 2013.

Granted By: James Arthur Jemison II, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: April 30, 2021.

Reason Waived: The HOME requirements for establishing utility allowances conflict with Project Based Voucher program requirements. It is not possible to use two different utility allowances to set the rent for a single unit and it is administratively burdensome to require a project owner establish and implement different utility allowances for HOME-assisted units and non-HOME assisted units in a project.

Contact: Virginia Sardone, Director, Office of Affordable Housing Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7160, Washington, DC 20410, telephone (202) 402-4606.

- **Regulation:** 24 CFR 92.252(d)(1) Utility Allowance Requirements

Project/Activity: The State of California, San Luis Obispo County, and the City of Irvine California requested a waiver of 24 CFR 92.252(d)(1) to allow use of the utility allowance established by the local public housing agency (PHA) for three HOME-assisted projects – Sango Court, Oak Park 3, and Salemo Apartments.

Nature of requirement: The regulation at 24 CFR 92.252(d)(1) requires participating jurisdictions to establish maximum monthly allowances for utilities and services (excluding telephone) and update the allowances annually. However, participating jurisdictions are not permitted to use the utility allowance established by the local public housing authority for HOME-assisted rental projects for which HOME funds were committed on or after August 23, 2013.

Granted By: James Arthur Jemison II, Principal Deputy Assistant Secretary for Community Planning and Development

Date Granted: June 1, 2021

Reason Waived: The HOME requirements for establishing utility allowances conflict with Project Based Voucher program requirements. It is not possible to use two different utility allowances to set the rent for a single unit and it is administratively burdensome to require a

project owner establish and implement different utility allowances for HOME-assisted units and non-HOME assisted units in a project.

Contact: Virginia Sardone, Director, Office of Affordable Housing Programs, U.S. Department of Housing and Urban Development, 451 Seventh Street SW, Room 7160, Washington, DC 20410, telephone (202) 402-4606.

- **Regulation:** 24 CFR 92.500(d)(2)(i)(C) Program Expenditure Deadline.

Project/Activity: The City of Baton Rouge, Louisiana requested a waiver of 24 CFR 92.500(d)(2)(i)(C) to waive the requirement to expend its annual allocation of HOME funds within five years for Fiscal Year (FY) 2014.

Nature of Requirement: The regulation at 24 CFR 92.500(d)(2)(i)(C) requires participating jurisdictions to expend its annual allocation of HOME funds within five years after HUD notifies the PJ that it has executed the jurisdiction's HOME Investment Partnerships Agreement. Any HOME funds unexpended by the PJ's five-year expenditure deadline are required to be deobligated by HUD.

Granted By: James Arthur Jemison II, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: April 20, 2021.

Reason Waived: On August 14, 2016, President Barack Obama issued a major disaster declaration for the State of Louisiana as the result of severe storms and flooding. Construction timelines increased due to the number and severity of damaged housing stock. The Department has determined that a waiver of the City's FY 2014 HOME expenditure requirement is justified based on the construction delays caused by the severe storms and flooding.

Contact: Virginia Sardone, Director, Office of Affordable Housing Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7160, Washington, DC 20410, telephone (202) 402-4606.

- **Regulation:** 24 CFR 92.2, 24 CFR 93.2, 24 CFR 92.504(d)(1)(i), and 24 CFR 93.404(d)(1) Project Completion and Inspection Requirements.

Project/Activity: The Minnesota Housing Finance Agency (MHFA) requested waivers of 24 CFR 92.2, 24 CFR 93.2, 24 CFR 92.504(d)(1)(i), and 24 CFR 93.404(d)(1) to waive the HOME Program and Housing Trust Fund regulations defining “project completion” at 24 CFR 92.2 and 93.2 and requiring onsite inspections at project completion at 24 CFR 92.504(d)(1)(i) and 93.404(d)(1) for three projects - White Oaks Estates (HOME and HTF), Dublin Apartments (HOME), and Park 7 Apartments (HTF).

Nature of Requirement: The regulations at 24 CFR 92.2 and 92.3 require that the project meet the HOME or HTF property standards requirements, as applicable, to meet the definition of “project completion.” In addition, the regulation at 24 CFR 92.504(d)(1)(i) requires participating jurisdictions to inspect each HOME-assisted project at project completion to determine that the project meets the property standards of 24 CFR 92.251. The regulation at 24 CFR 93.404(d)(1) requires that HTF grantees perform onsite inspections of each HTF-assisted project at project completion to determine that the housing meets the property standards of 24 CFR 93.301.

Granted By: James Arthur Jemison II, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 9, 2021.

Reason Waived: The MHFA Commissioner issued an order on December 9, 2020, suspending all site visits involving physical inspections by MHFA staff within any part of occupied properties. The Commissioner’s order responded to the COVID-19 pandemic and implemented Governor Tim Walz’s Emergency Executive Order 20-99, which required work from home whenever possible and strongly discouraged any business or personal travel. In its

waiver request, MHFA indicated it will conduct the delayed onsite inspections within 90 days of the resumption of staff ability to complete onsite inspections.

Contact: Virginia Sardone, Director, Office of Affordable Housing Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7160, Washington, DC 20410, telephone (202) 402-4606.

- **Regulations:** 24 CFR 574.310(b)(2).

Project/Activity: Property Standards for HOPWA.

Nature of Requirement: This section of the HOPWA regulations provides minimum housing quality standards that apply to all housing for which HOPWA funds are used for acquisition, rehabilitation, conversion, lease, or repair; new construction of single room occupancy dwellings and community residences; project or tenant-based rental assistance; or operating costs under 24 CFR 574.300(b)(3), (4), (5), or (8).

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: On March 31, 2020 HUD waived the physical inspection requirement for tenant-based rental assistance at 24 CFR 574.310(b) for one year. On May 22, 2020 HUD waived the physical inspection requirement for acquisition, rehabilitation, conversion, lease, or repair; new construction of single room occupancy dwellings and community residences; project or tenant-based rental assistance; or operating costs for one year. On March 31, 2021, HUD again waived this requirement for all applicable housing types until June 30, 2021. HUD determined that while many social distancing measures that were making it difficult to conduct unit inspections are being lifted, it continues to be important to move people quickly into their own housing to enable social distancing and prevent the spread of COVID-19. Additionally,

HUD recognized that grantees and project sponsors needed time to prepare staff to physically inspect units for HQS. Therefore, HUD extended the waiver until September 30, 2021.

Applicability: This waiver is in effect until September 30, 2021 for grantees and project sponsors that can meet the following criteria:

1. The grantee or project sponsor can visually inspect the unit using technology, such as video streaming, to ensure the unit meets HQS before any assistance is provided; and
2. The grantee or project sponsor has written policies to physically reinspect the units not previously physically inspected by December 31, 2021.

Contact: Amy Palilonis, Office of HIV/AIDS Housing, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7248, Washington, DC 20410, telephone (202) 402–5916. amy.l.palilonis@hud.gov.

- **Regulations:** 24 CFR 574.320(a)(2).

Project/Activity: FMR Rent Standard for HOPWA Rental Assistance.

Nature of Requirement: Grantees must establish rent standards for their rental assistance programs based on FMR (Fair Market Rent) or the HUD-approved community-wide exception rent for unit size.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived the FMR rent standard requirement for tenant-based rental assistance for one year on March 31, 2020. On May 22, 2020 HUD waived this requirement for one year for all rental assistance types. On March 31, 2021, HUD again waived this requirement for all rental assistance types until June 30, 2021. HUD determined that extending this waiver of the FMR rent standard limit, while still requiring that the unit be rent

reasonable in accordance with §574.320(a)(3), will assist grantees and project sponsors in locating additional units to house low-income people living with HIV in tight rental markets and reduce the spread and harm of COVID-19.

Applicability: The FMR requirement continues to be waived until December 31, 2021. Grantees and project sponsors must still ensure the reasonableness of rent charged for a unit in accordance with §574.320(a)(3).

Contact: Amy Palilonis, Office of HIV/AIDS Housing, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7248, Washington, DC 20410, telephone (202) 402–5916. amy.l.palilonis@hud.gov.

- **Regulations:** 24 CFR 574.330(a)(1).

Project/Activity: Time Limits for Short-Term Supported Housing

Nature of Requirement: A short-term supported housing facility may not provide residence to any individual for more than 60 days during any six-month period. Short-Term Rent, Mortgage, and Utility (STRMU) payments to prevent the homelessness of the tenant or mortgagor of a dwelling may not be provided for costs accruing over a period of more than 21 weeks in any 52-week period.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived this requirement on May 22, 2020 to prevent homelessness or discharge to unstable housing situations for households residing in short-term housing facilities or units assisted with STRMU if permanent housing could not be achieved within the time limits specified in the regulation. HUD again waived this requirement on March 31, 2021 until June 30, 2021. Because grantees and project sponsors continue to report that households require longer periods of assistance due to financial and health-related hardships

stemming from the COVID-19 pandemic, HUD Extended this waiver until December 31, 2021, to help prevent households from becoming homeless due to the economic impacts of COVID-19.

Applicability: This waiver is made available for all HOPWA grants except those covered by Notice CPD-20-05, which provides special flexibility as authorized by the CARES Act for grants funded under the CARES Act and for the portion of a grantee's FY 2020 formula funds that have been approved under its Annual Action Plan (AAP) for allowable activities to prevent, prepare for, and respond to the COVID-19 pandemic as described in section V. of Notice CPD-20-05.

On an individual household basis, grantees or project sponsors may assist eligible households for a period that exceeds the time limits specified in the regulations. A short-term supported housing facility may provide residence to any individual for a period of up to 120 days in a six-month period. STRMU payments to prevent the homelessness of the tenant or mortgagor of a dwelling may be provided for costs accruing up to 52 weeks in a 52-week period.

This waiver is in effect until December 31, 2021 for grantees and project sponsors that can meet the following criteria:

1. The grantee or project sponsor documents that a good faith effort has been made on an individual household basis to assist the household to achieve permanent housing within the time limits specified in the regulations but that financial needs and/or health and safety concerns have prevented the household from doing so; and
2. The grantee or project sponsor has written policies and procedures outlining efforts to regularly reassess the needs of assisted households as well as processes for granting extensions based on documented financial needs and/or health and safety concerns.

Contact: Amy Palilonis, Office of HIV/AIDS Housing, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7248, Washington, DC 20410, telephone (202) 402-5916. amy.l.palilonis@hud.gov.

- **Regulations:** 24 CFR 574.530.

Project/Activity: Source Documentation for Income and HIV Status Determinations.

Nature of Requirement: Each grantee must maintain records to document compliance with HOPWA requirements, which includes determining the eligibility of a family to receive HOPWA assistance.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived the requirement for source documentation of income and HIV status on March 31, 2020 for grantees that require written certification of the household seeking assistance of their HIV status and income, and agree to obtain source documentation of HIV status and income eligibility within 3 months of public health officials determining no additional special measures are necessary to prevent the spread of COVID-19. HUD recognized that while public health measures were lifting in many areas of the country, grantees were reporting that obtaining documentation still takes longer than usual because of reduced staffing and hours of agencies and providers that can provide the documentation during COVID-19. Additionally, HUD recognized that grantees needed time to prepare staff and to re-adjust policies and procedures to obtain source income of HIV status and income. Therefore, HUD is continuing this waiver flexibility and is establishing an end date of September 30, 2021.

Applicability: This waiver is in effect for grantees who require written certification of the household seeking assistance of their HIV status and income and agree to obtain source documentation of HIV status and income eligibility by September 30, 2021.

Contact: Amy Palilonis, Office of HIV/AIDS Housing, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7248, Washington, DC 20410, telephone (202) 402-5916. amy.l.palilonis@hud.gov.

- **Regulation:** 24 CFR 578.103(a)(7)(iv).

Project/Activity: 24 CFR 578.103(a)(7) requires the recipient or subrecipient to keep records of the program participant's income and the back-up documentation they relied on to determine income. The regulation establishes an order of preference for the type of documentation that recipients can rely upon. Only if source documents and third-party verification are unobtainable is a written certification from the program participant acceptable documentation of income. HUD is waiving "To the extent that source documents and third-party verification are unobtainable" in 578.103(a)(7)(iv).

Nature of Requirement: Where a program participant pays rent or an occupancy charge in accordance with 24 CFR 578.77, 24 CFR 578.103(a)(7) requires recipients and subrecipients to keep on file an income evaluation form specified by HUD along with one of the following types of back-up documentation: (1) source documents for the assets held by the program participant and income received before the date of the evaluation; (2) to the extent that source documents are unobtainable, a written statement by the relevant third party or the written certification of the recipient's or subrecipient's intake staff of the relevant third party's oral verification of the income the program participant received over the most recent period; or (3) to the extent that source documents and third-party verification are unobtainable, the program participant's own written certification of income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: On September 30, 2020, HUD waived the requirement to attempt to document that third-party verification of income was unobtainable in order for recipients and subrecipients to permit a program participant's own self-certification of income until December 31, 2020 because that documentation may be difficult to obtain as a result of COVID-19 pandemic and housing program participants quickly was important to prevent the spread of

COVID-19. On December 30, 2020, HUD extended this waiver to March 31, 2021. On March 31, 2021, HUD extended this waiver to June 30, 2021. It continues to be important to move people into their own housing quickly to enable social distancing and prevent the spread of COVID-19. Additionally, recipients need time to prepare staff and to re-adjust policies and procedures to obtain third-party documentation of income as a first order of priority. Therefore, HUD is waiving the requirement that source documents and third-party documentation be unobtainable in order for recipients or subrecipients to rely on a program participant's own certification of their income.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 576.403(c).

Project/Activity: HUD granted a waiver of 24 CFR 576.403(c) in Notice CPD-21-05: Waiver and Alternative Requirements for the Emergency Solutions Grants (ESG) Program Under the CARES Act (April 14, 2021). HUD waived 24 CFR 576.403(c) for recipients who choose to serve individuals and families made eligible for RRH assistance in Section III.1 of CPD Notice 21-05 to the extent necessary to permit the ESG recipient or subrecipient to provide rental assistance and housing relocation and stabilization services without first inspecting the unit so long as:

- a. The recipient or subrecipient maintains documentation showing the prior rental assistance provider determined that the housing meets: i. The habitability standards established at 24 CFR 576.403(c); or ii. Housing Quality Standards (HQS) established at 24 CFR 982.401; or
- b. The recipient or subrecipient provides no more than 90 days of RRH assistance to the program participant; or

- c. The recipient or subrecipient conducts an inspection within the first 90 days and determines the housing meets the habitability standards established at 24 CFR 576.403(c) or the HQS established at 24 CFR 982.401.

Nature of Requirement: Recipients or subrecipients cannot use ESG funds to help program participants remain in or move into housing that does not meet minimum habitability standards provided at 24 CFR 576.403(c).

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: April 14, 2021.

Reason Waived: The habitability standards established at 24 CFR 576.403(c) are meant to ensure that program participants are residing in housing that is safe and sanitary. Accepting the housing inspection reports of previous rental assistance providers as evidence and allowing up to 90 days to conduct initial inspections to determine the housing is safe and sanitary will allow recipients and subrecipients to provide rental assistance and housing relocation and stabilization services to households that qualify for RRH 6 assistance in Section III.1 of CPD Notice 21-05 without a gap between their prior assistance and ESG funded RRH assistance while still ensuring their housing is safe and sanitary. This will help maintain positive relationships with landlords while helping program participants maintain housing during the public health crisis and subsequent economic downturn. This will reduce the spread and harm of COVID-19 by enabling affected households to continue to socially distance, isolate, or quarantine in their housing.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.75(b)(1).

Project/Activity: This waiver of the requirement in 24 CFR 578.75(b)(1) that the recipient or subrecipient physically inspect each unit to assure that the unit meets HQS before providing assistance on behalf of a program participant is in effect until September 30, 2021 for recipients and subrecipients that are able to meet the following criteria:

- a. The owner certifies that they have no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question; and
- b. The recipient or subrecipient has written policies to physically inspect the units not previously physically inspected by December 31, 2021.

Nature of Requirement: Recipients are required to physically inspect any unit supported with leasing or rental assistance funds to assure that the unit meets the housing quality standards (HQS) before any assistance will be provided on behalf of a program participant.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: On March 31, 2020, HUD waived the physical inspection requirement at 24 CFR 578.75(b)(1) for 6-months so long as recipients or subrecipients were able to visually inspect the unit using technology to ensure the unit met HQS before any assistance was provided and recipients or subrecipients had written policies in place to physically reinspect the unit within 3 months after the health officials determined special measures to prevent the spread of COVID-19 are no longer necessary. On September 30, 2020, HUD waived the physical inspection requirement at 24 CFR 578.75(b)(1) until December 31, 2020, which HUD then extended until March 31, 2021, so long as recipients and subrecipients could meet certain criteria outlined in the waiver. HUD again extended the waiver on March 31, 2021 until June 30, 2021, so long as recipients and subrecipients could meet the criteria outlined in the waiver. It continues to be important to move people quickly into their own housing to enable social distancing and prevent the spread of COVID-19. Additionally, recipients need time to prepare staff to inspect

(and re-inspect as discussed below) units for HQS. Therefore, HUD is waiving the initial inspection requirement at 24 CFR 578.75(b)(1) as further specified below to allow recipients to move people from the streets and shelters into housing more quickly, which enables social distancing, and helps prevent the spread of COVID-19.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.75(c) and 24 CFR 982.401(d)(2)(ii) as required by 24 CFR 578.75(b)

Project/Activity: The requirement that each unit assisted with CoC Program funds or YHDP funds have at least one bedroom or living/sleeping room for each two persons is waived for recipients providing Permanent Housing-Rapid Re-housing assistance for leases and occupancy agreements executed by recipients and subrecipients between the date of HUD's memorandum and December 31, 2021. Assisted units with leases of occupancy agreements signed during the waiver period may have more than two persons for each bedroom or living/sleeping room until the later of 1) the end of the initial term of the lease or occupancy agreement; or 2) December 31, 2021. As a reminder, recipients are still required to follow State and local occupancy laws.

Nature of Requirement: 24 CFR 578.75(c), suitable dwelling size, and 24 CFR 982.401(d)(2)(ii) as required by 24 CFR 578.75(b), Housing Quality Standards, requires units funded with CoC Program funds to have at least one bedroom or living/sleeping room for each two persons.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021

Reason Waived: On September 30, 2020, HUD waived the requirements at 24 CFR 982.401(d)(2)(ii) and 24 CFR 578.75(c) to allow households experiencing homelessness to obtain permanent housing that is affordable and that they assess is adequate. HUD extended these flexibilities on December 30, 2020 to the later of 1) the end of the initial term of the lease or occupancy agreement; or 2) March 31, 2021. HUD again extended these flexibilities on March 31, 2021, to the later of 1) the end of the initial term of the lease or occupancy agreement; or 2) June 30, 2021. Recipients continue to report that households experiencing homelessness remain unable to afford the limited supply of affordable housing in many jurisdictions across the country and this has been made even more challenging due to the economic impact of COVID-19. HUD is waiving the requirements at 24 CFR 982.401(d)(2)(ii) and 24 CFR 578.75(c) as further specified below to reduce the spread of COVID-19 by allowing households to move into housing instead of staying in congregate shelter. Consistent with the *Executive Order on Fighting the Spread of COVID-19 by Providing Assistance to Renters and Homeowners*, grantees should balance use of this waiver with the recommendations of public health officials to limit community spread and reduce risks to high-risk populations. For example, a large unit with rooms than can be partitioned for privacy and distancing, or the waiver can be applied for units that will house only one family household.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.33(c).

Project/Activity: The requirement that the renewal grant amount be based on the budget line items in the final year of the grant being renewed is further waived for all projects that amend their grant agreements to move funds between budget line items in a project in response to the COVID-19 pandemic between the date of HUD's memorandum and December 31, 2021.

Recipients may then apply in the next FY CoC Program funding cycle based on the budget line items in the grants before they were amended.

Nature of Requirement: 24 CFR 578.33(c) requires that budget line item amounts a recipient is awarded for renewal in the CoC Program Competition will be based on the amounts in the final year of the prior funding period of the project.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021

Reason Waived: HUD originally waived this requirement for grant agreement amendments signed between March 31, 2020 and October 1, 2020 to allow recipients to move funds between budget line items in a project in response to the COVID- 19 pandemic and still apply for renewal in the next FY CoC Program funding cycle based on the budget line items in the grants before they were amended. HUD again waived this requirement for all grant agreements signed from October 1, 2020 until December 31, 2020. HUD again waived this requirement for all grants signed between December 30, 2020 and March 31, 2021. HUD again waived this requirement for all grant agreements signed from March 31, 2021 until June 30, 2021. Recipients continue to report needing to shift budget line items to respond to the COVID- 19 pandemic (e.g., providing different supportive services necessitated by the pandemic and the economic impacts created by the pandemic or serving fewer people because the layout of the housing does not meet local social distancing recommendations) without changing the original design of the project when it is not operating in a public health crisis and can resume normal operations.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.37(a)(1)(ii)(F).

Project/Activity: The requirement in 24 CFR 578.37(a)(1)(ii)(F) that projects require program participants to meet with case managers not less than once per month is waived for all permanent housing- rapid re-housing projects until September 30, 2021.

Nature of Requirement: The CoC Program interim rule at 24 CFR 578.37(a)(1)(ii)(F) requires program participants to meet with a case manager not less than once per month to assist them in ensuring long-term housing stability. The project is exempt from this requirement already if the Violence Against Women Act of 1994 or Family Violence Prevention and Services Act prohibits the recipient carrying out the project from making its shelter or housing conditional on the participant's acceptance of services.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived this requirement for 2-months on March 31, 2020. On May 22, 2020 HUD again waived this requirement for an additional 3 months and on September 30, 2020 HUD once again waived this requirement until December 31, 2020. On December 30, 2020, HUD again waived this requirement until March 31, 2021. On March 31, 2021, HUD again waived this requirement until June 30, 2021. While many social distancing measures that were making it difficult to conduct the monthly case management are being lifted, recipients need time to prepare staff to provide monthly case management in accordance with the regulatory requirement. Waiving the monthly case management requirement as specified below will allow recipients time to shift back to providing case management on a monthly basis instead of on an as-needed basis.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.49(b)(2).

Project/Activity: The CoC Program regulation at 24 CFR 578.49(b)(2) prohibits a recipient from using grant funds for leasing to pay above FMR when leasing individual units, even if the rent is reasonable when compared to other similar, unassisted units.

Nature of Requirement: The FMR restriction continues to be waived for any lease executed by a recipient or subrecipient to provide transitional or permanent supportive housing until December 31, 2021. The affected recipient or subrecipient must still ensure that rent paid for individual units that are leased with leasing dollars meet the rent reasonableness standard in 24 CFR 578.49(b)(2).

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived this requirement for 6-months on March 31, 2020. On September 30, 2020 HUD again waived this requirement until December 31, 2020. On December 30, 2020, HUD again waived this requirement until March 31, 2021. On March 31, 2021, HUD again waived this requirement until June 30, 2021. Extending this waiver of the limit on using grant leasing funds to pay above FMR for individual units, but not greater than reasonable rent, will assist recipients in locating additional units to house individuals and families experiencing homelessness in tight rental markets and reduce the spread and harm of COVID-19.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.3, definition of permanent housing, 24 CFR 578.51(l)(1)

Project/Activity: The one-year lease requirement is waived for leases executed between the date of HUD's memorandum and December 31, 2021, so long as the initial term of all leases is at least one month.

Nature of Requirement: The CoC Program regulation at 24 CFR 578.3, definition of permanent housing, and 24 CFR 578.51(l)(1) requires program participants residing in permanent housing to be the tenant on a lease for a term of one year that is renewable and terminable for cause.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived this requirement for 6-months on March 31, 2020, again until December 31, 2020 on September 30, 2020, again until March 31, 2021 on December 30, 2020, and again on March 31, 2021 until June 30, 2021 to help recipients more quickly identify permanent housing for individuals and families experiencing homelessness, which is helpful in preventing the spread of COVID-19. Extending this waiver is necessary because recipients report challenges in identifying housing for program participants in tight rental markets due to the economic impact of COVID- 19. Additionally, helping program participants move into housing quickly will continue to decrease the risk of people experiencing homelessness of contracting COVID-19 even after special measures are no longer necessary to prevent the spread of COVID-19.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.53(e)(8)(ii)(B) and 578.53(d).

Project/Activity: The limitation on eligible housing search and counseling activities is waived so that CoC Program funds may be used for up to 6 months of a program participant's utility arrears and up to 6 months of a program participant's rent arrears, when those arrears make it difficult to obtain housing. This waiver is in effect until December 31, 2021.

Nature of Requirement: 24 CFR 578.53(e)(8) allows recipients and subrecipients to use CoC funds to pay for housing search and counseling services to help eligible program participants locate, obtain, and retain suitable housing. For program participants whose debt problems make it difficult to obtain housing, 24 CFR 578.53(e)(8)(ii)(B) makes eligible the costs of credit counseling, accessing a free personal credit report, and resolving personal credit issues. However, payment of rental or utility arrears is not included as an eligible cost. 24 CFR 578.53(d) limits eligible supportive service costs to those explicitly listed in 24 CFR 578.53(e), which is a more limited list than is eligible under the McKinney-Vento Act.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021

Reason Waived: HUD originally waived this requirement for 1-year on March 31, 2020 and, on March 31, 2021 extended the waiver until June 30, 2021, to allow recipients and subrecipients to pay up to 6 months of rental arrears and 6 months of utility arrears to remove barriers to obtaining housing quickly and help reduce the spread and harm of COVID-19. Extending this waiver is necessary to remove barriers that would prevent program participants from finding housing quickly, particularly as more people find themselves with rental arrears due to COVID-19.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.75(b)(2).

Project/Activity: HUD originally waived the requirement for 1-year on March 31, 2020 to help recipients and subrecipients prevent the spread of COVID-19. On March 31, 2021, HUD extended the waiver until June 30, 2021. The requirement at 24 CFR 578.75(b)(2) is waived until September 30, 2021.

Nature of Requirement: 24 CFR 578.75(b)(2) requires that recipients or subrecipients are required to inspect all units supported by leasing or rental assistance funding under the CoC and YHDP Programs at least annually during the grant period to ensure the units continue to meet HQS.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021

Reason Waived: While many social distancing measures that were making it difficult to re-inspect a unit for HQS are being lifted, recipients need time to prepare staff to re-inspect (and inspect as discussed above) units for HQS. Therefore, HUD is extending the waiver as described below.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.3, definition of “homeless” (1)(iii).

Project/Activity: An individual may qualify as homeless under paragraph (1)(iii) of the “homeless” definition in 24 CFR 578.3 so long as he or she is exiting an institution where they resided for 120 days or less and resided in an emergency shelter or place not meant for human habitation immediately before entering that institution. This waiver is in effect until December 31, 2021.

Nature of Requirement: An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution are considered homeless per 24 CFR 578.3, definition of “homeless.”

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived this requirement on September 30, 2020, until March 31, 2021 to keep housing options open for individuals who otherwise would have been homeless but were reporting longer stays in institutions as a result of COVID-19 (e.g., longer time in jail due to a postponed court dates due to courts closings or courts operating at reduced capacity and longer hospital stays when infected with COVID-19). HUD again waived this requirement on March 31, 2021 until June 30, 2021. Allowing someone who was residing in an emergency shelter or place not meant for human habitation prior to entering the institution to maintain their homeless status while residing in an institution for longer than 90 days is necessary to prevent the spread of and respond to COVID-19 by expanding housing options for people who were experiencing homelessness and institutionalized for longer than traditionally required due to COVID-19. Recipients continue to report potential program participants are staying in institutions for longer periods of time due to COVID-19; therefore, HUD is extending this waiver to allow someone who was residing in an emergency shelter or place not meant for human habitation prior to entering the institution to maintain their homeless status while residing in an institution for longer than 90 days.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.37(a)(1)(ii), 24 CFR 578.37(a)(1)(ii)(C), and 24 CFR 578.51(a)(1)(i).

Project/Activity: The 24-month rental assistance restriction is waived for program participants in permanent housing rapid re-housing project who will have reached 24 months of rental assistance until December 31, 2021. Program participants who have reached 24 months of rental assistance during this time and who will not be able to afford their rent without additional rental assistance will be eligible to receive rental assistance until December 31, 2021

Nature of Requirement: The CoC Program regulation at 24 CFR 578.37(a)(1)(ii) and 24 CFR 578.51(a)(1)(i) defines medium-term rental assistance as 3 to 24 months and 24 CFR 578.37(a)(1)(ii) and 24 CFR 578.37(a)(1)(ii)(C) limits rental assistance in rapid re-housing projects to medium-term rental assistance, or no more than 24 months.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: HUD originally waived this requirement on May 22, 2020 until 3 months after a state or local public health official has determined special measures are no longer necessary to prevent the spread of COVID-19. Recipients continue to report program participants are experiencing difficulty affording rent even after receiving 24 months of rental assistance. Therefore, HUD is continuing to offer this waiver flexibility, but is establishing an end date of December 31, 2021. Waiving the limit on using rental assistance in rapid re-housing projects to pay more than 24 months will ensure that individuals and families currently receiving rapid re-housing assistance do not lose their assistance, and consequently their housing, during the COVID-19 public health crisis and the subsequent economic downturn. This will reduce the number of people who become homeless again due to the economic impact of COVID-19.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 578.103(a) and 24 CFR 578.103(a)(4)(i)(B).

Project/Activity: 24 CFR 578.103(a) requires recipient to maintain records providing evidence they met program requirements and 24 CFR 578.103(a)(4)(i)(B) establishes the requirements for documenting disability for individuals and families that meet the “chronically homeless” definition in 24 CFR 578.3. Acceptable evidence of disability includes intake-staff recorded observations of disability no later than 45 days from the date of application for assistance, which is confirmed and accompanied by evidence in paragraphs 24 CFR 578.103(a)(4)(i)(B)(1), (2), (3), or (5). HUD is waiving the requirement to obtain additional evidence to confirm staff-recorded observations of disability.

Nature of Requirement: A recipient providing PSH must serve individuals and families where one member of the household has a qualifying disability (for dedicated projects and DedicatedPLUS projects that individual must be the head of household). Further, the recipient must document a qualifying disability of one of the household members. When documentation of disability is the intake worker’s observation, the regulation requires the recipient to obtain additional confirming evidence within 45 days.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: June 30, 2021.

Reason Waived: On March 31, 2020 HUD waived the requirement to obtain additional evidence within 45 days and instead allowed recipients up to 6-months from the date of application for assistance to confirm intake staff-recorded observations of disability with other evidence because recipients were reporting difficulty obtaining third-party documentation of

disability in the middle of a pandemic, impacting their ability to house potential program participants quickly. On September 30, 2020, HUD waived, in its entirety, the requirement to obtain additional evidence to verify intake staff-recorded observations of disability until public health officials determine no additional special measures are necessary to prevent the spread of COVID-19. While public health measures are lifting in many areas of the country, recipients are reporting that obtaining documentation still takes longer than usual as a result of reduced staffing and hours of agencies and providers that can provide the documentation during COVID-19. Therefore, HUD is continuing this waiver flexibility and is establishing an end date of December 31, 2021.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** Section 415(a)(4) and (5) of the McKinney-Vento Homeless Assistance Act and 24 CFR 576.104.

Project/Activity: HUD granted a waiver of Section 415(a)(4) and (5) of the McKinney-Vento Homeless Assistance Act and 24 CFR 576.104 in Notice CPD-21-05: Waiver and Alternative Requirements for the Emergency Solutions Grants (ESG) Program Under the CARES Act (April 14, 2021). HUD established alternative requirements and waived Section 415(a)(4) and (5) of the McKinney-Vento Homeless Assistance Act and 24 CFR 576.104 to the extent necessary to provide that:

- a. In addition to individuals and families who meet the existing requirements in 24 CFR 576.104, a recipient may expand the scope of eligible RRH beneficiaries to include individuals and families who meet ALL of the following criteria:
 - i. Qualified as “homeless” as defined in 24 CFR 576.2 immediately before moving into their current housing;

- ii. Have been residing in housing with time-limited rental assistance provided under a homeless assistance program (which means assistance limited to or reserved, either federally or locally, for people who are “homeless” as defined in 24 CFR 576.2) other than the ESG program (e.g., time-limited rental assistance that was funded under the Supportive Services for Veteran Families Program or the Coronavirus Relief Fund and provided only to people who qualified as “homeless” as defined in 24 CFR 576.2);
 - iii. Would not have any overlap in rental assistance between the non-ESG program and the ESG program, due to exhaustion or expiration of the non-ESG assistance or program funds;
 - iv. Would not have a gap of more than one month (or equivalent amount of days) between the end of the non-ESG rental assistance and the beginning of their ESG RRH rental assistance; and v. Do not have the resources or support networks (beyond an eviction moratorium) (e.g., family, friends or other social networks) needed to retain their existing housing without ESG assistance; and
 - v. Do not have the resources or support networks (beyond an eviction moratorium) (e.g., family, friends or other social networks) needed to retain their existing housing without ESG assistance;
- b. Recipients that expand the scope of RRH beneficiaries as provided above must amend their consolidated plans as provided by 24 CFR 91.505 and 576.200(b), except that the recipient is not required to comply with any consultation or citizen participation requirements (as provided by the CARES Act), provided that the recipient publishes its plan to include these newly eligible RRH beneficiaries, at a minimum, on the Internet at the appropriate Government web site or through other electronic media.
- c. If individual or family meets the new RRH criteria above but is already an ESG RRH program participant (because they have been receiving services under 24 CFR 576.105), the individual or family may be provided ESG-funded rental assistance without being treated as

a new applicant or program participant for purposes of HUD's coordinated assessment, written standards, HMIS, initial evaluation, re-evaluation, housing stability plan, and recordkeeping and reporting requirements (24 CFR 576.400(d), (e), (f); 576.401(a), (b), (e)(1)(ii), and 576.500). However, with respect to any other individuals and families for which the recipient exercises the new flexibilities provided in CPD Notice 21-05, the recipient must account for the new RRH beneficiaries by making corresponding changes as appropriate to the applicable written standards for administering RRH assistance (including beneficiary eligibility and prioritization criteria), HMIS, and procedures for centralized or coordinated assessment, initial evaluation, re-evaluation, and recordkeeping and reporting.

Nature of Requirement: An individual or family must meet the criteria under paragraph (1) of the definition of "homeless" at 24 CFR 576.2 or meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition to be eligible for rapid re-housing assistance.

Granted By: James A. Jemison, Principal Deputy Assistant Secretary for Community Planning and Development.

Date Granted: April 14, 2021.

Reason Waived: Many individuals and families experiencing homelessness are able to be housed with time-limited rental assistance funded by homelessness assistance resources other than ESG. In some cases, despite the efforts of local service providers, some households continue to be unable to afford housing at the end of the assistance period and would lose their housing without continued assistance. Waiving the eligibility criteria for ESG funded RRH as discussed above will ensure individuals and families currently receiving time-limited rental assistance funded through other sources will not lose their housing during the coronavirus public health crisis and the subsequent economic downturn. This will reduce the spread and harm of coronavirus by enabling households receiving homelessness assistance who had previously

experienced homelessness to continue to practice social distancing, isolate, or quarantine in their housing.

Contact: Norm Suchar, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

II. Regulatory Waivers Granted by the Office of Housing – Federal Housing

Administration (FHA)

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 214.300(a)(3).

Project/Activity: HUD's In-Person Service Housing Counseling Program

Nature of Requirement: Pursuant to 24 CFR 214.300(a)(3), “[c]ounseling may take place in the office of the housing counseling agency, at an alternate location, or by telephone, as long as mutually acceptable to the housing counselor and client. All agencies participating in HUD’s Housing Counseling program that provide services directly to clients must provide in-person counseling to clients that prefer this format.”

On February 24, 2021, the President continued the COVID-19 national emergency. HUD recognizes that there continues to be a demand for housing counseling services by clients facing financial hardship due to the spread of the COVID-19 virus. This partial waiver allows participating agencies to provide continuous services without violating the in-person service provision requirement of 24 CFR 214.300(a)(3). This partial waiver waives the 24 CFR 214.300(a)(3) requirement that “... All agencies participating in HUD’s Housing Counseling

program that provide services directly to clients must provide in-person counseling to clients that prefer this format.”

Granted by: Lopa P. Kolluri, Principal Assistant Secretary for Housing Federal Housing Commissioner.

Date Granted: April 20, 2021.

Reason Waived: To assist in ensuring the continued availability of housing counseling services, a partial waiver of 24 CFR 214.300(a)(3).

Contact: Brian Siebenlist, Director, Housing Counseling, Office of Policy and Grant Administration, Office of Housing, Department of Housing and Urban Development, 409 3rd Street, SW, Washington DC 20024, telephone (202) 402-5145.

- **Regulation:** 24 CFR 242.58(b)(ii), 24 CFR 242.58(b)(iv), 24 CFR 242.58(f), 24 CFR 242.61(a)-(d).

Project/Activity: HCA-Memorial Health Meadows Hospital, Vidalia, Georgia.

Nature of Requirements: 24 CFR §242.58(b)(ii) states that, with regard to financial reporting requirements for hospitals with FHA-insured loans, quarterly unaudited financial reports must be filed with HUD within 40 days following the end of each quarter of the Borrower’s fiscal year.

24 CFR §242.58(b)(iv) states that, with regard to financial reporting requirements for hospitals with FHA-insured loans, board-certified annual financial results must be filed with HUD within 120 days following the close of the fiscal year (if the annual audited financial statements have not yet been filed with HUD). 24 CFR 242.58(f) requires that the books and records of management agents, lessees, operators, managers, and Affiliates be maintained in accordance with Generally Accepted Accounting Principles (GAAP) and shall be open to inspection by HUD. 24 CFR 242.61(a) through (d) give HUD the authority to approve contracts for executive management of the hospital, and to remove principals of the hospital (including executives, board members, and key employees).

Granted By: Lopa P. Kolluri, Principal Assistant Secretary for Housing Federal Housing Commissioner.

Date Granted: April 22, 2021.

Reason Waived: HCA Healthcare applied for a Transfer of Physical Assets (TPA) to take ownership of Toombs County Hospital Authority (TCHA) and Meadows Regional Medical Center and replace the current Borrower on the Note (TCHA) with newly created HUD Borrowers (Vidalia Health Services, LLC and Meadows Multispecialty Associates, LLC). As part of the TPA application, HCA Healthcare is requesting waivers of numerous standard requirements within OHF's Hospital Regulatory Agreement. The requirements ordinarily provide OHF with the data and authority to manage the asset when it is part of HUD's portfolio. While waiving the requirements will prevent OHF from executing our standard asset management procedures, we determined that the hospital will benefit significantly from HCA ownership, and that the waiver is fully justified.

Contact: Paul Giaudrone, Underwriting Director, Office of Hospital Facilities, Office of Healthcare Programs, Office of Housing, Department of Housing and Urban Development, 409 3rd Street, SW, Washington DC 20024, telephone (202) 402-5684.

- **Regulation:** 24 CFR 3282.14(b), Alternative construction of manufactured homes.

Project/Activity: Regulatory Waiver for Industry-Wide Alternative Construction Letter for Swinging Exterior Passage Doors.

Nature of Requirement: 24 CFR 3282.14(b), Request for Alternative Construction, requires manufactured housing manufacturers to submit a request for Alternative Construction consideration for the use of construction designs or techniques that do not conform with HUD Standards, to receive permission from HUD to utilize such designs or techniques in the manufacturing process for manufactured homes.

Granted by: Lopa P. Kolluri, Principal Deputy Assistant Secretary for Housing –
Federal Housing Administration.

Date Granted: March 29, 2021.

Reason Waived: Many manufactured home manufacturers are currently facing shortages in the supply of swinging exterior passage doors that are listed or specifically certified for use in manufactured homes due to COVID-19 pandemic impacts. The major supply line of certified swinging exterior passage doors cannot meet the current and near-term future demands of the manufactured housing industry, yet alternative door options are available that provide performance equivalent or superior to that required by the Standards yet cannot be utilized without an Alternative Construction approval. To resolve this matter for the whole industry in an expedient manner while protecting the health and safety of consumers and maintaining durability of the homes, this regulatory waiver was granted to allow the Office of Manufactured Housing Programs to provide an industry-wide Alternative Construction approval letter that could be used by any manufacturer experiencing supply chain issues for swinging exterior passage doors.

Contact: Teresa B. Payne, Administrator, Office of Manufactured Housing Programs, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW, Room 9168, Washington, DC 20410-0800, telephone (202) 402-5365, Teresa.L.Payne@hud.gov.